

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

**SW-01428A**

**Litchfield Park Service Company - Sewer**

**111 W. Wigwam Blvd, Suite B**

**Litchfield Park, AZ 85340**

L

RECEIVED

APR 14 2005

AZ Corporation Commission  
Director's Office

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2004</b>
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FOR COMMISSION USE

<b>ANN05</b>	<b>04</b>
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## COMPANY INFORMATION

**Company Name (Business Name)** Litchfield Park Service Company

**Mailing Address** 111 W. Wigwam Blvd., Suite B  
(Street)

Litchfield Park Arizona 85340  
(City) (State) (Zip)

(623) 935-9367 (623) 935-1020  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Local Office Mailing Address** 111 W. Wigwam Blvd., Suite B  
(Street)

Litchfield Park Arizona 85340  
(City) (State) (Zip)

(623) 935-9367 (623) 935-1020  
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** Peter Kampian Chief Financial Officer  
(Name) (Title)

2845 Bristol Circle Oakville, Ontario Canada L6H 7H7  
(Street) (City) (State) (Zip)

(905) 465-4500 (905) 465-4514  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**On Site Manager:** Mike Weber General Manger  
(Name)

111 W. Wigwam Blvd., Suite B Litchfield Park Arizona 85340  
(Street) (City) (State) (Zip)

(623) 935-9367 (623) 935-1020  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** C T Corporation System

(Name)

3225 N Central Ave

(Street)

Phoenix

(City)

AZ

(State)

85012

(Zip)

(602) 277-4792

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** Richard Sallquist @ Sallquist & Drummond, P.C.

(Name)

4500 South Lake Shore Drive, Suite 339

(Street)

Tempe,

(City)

AZ

(State)

85282

(Zip)

(602) 224-9222

Telephone No. (Include Area Code)

(480) 345-0412

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

**COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☒ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

**COMPANY NAME****Litchfield Park Service Company****UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
351	Organization			
352	Franchises			
353	Land and Land Rights	1,783,426		1,783,426
354	Structures and Improvements	9,077,845	643,516	8,434,328
355	Power Generation Equipment	305,488	27,637	277,851
360	Collection Sewers - Force	263,636	15,391	248,245
361	Collection Sewers - Gravity	14,003,065	1,179,246	12,823,819
362	Special Collecting Structures		0	0
363	Services to Customers	3,454,790	513,557	2,941,234
364	Flow Measuring Devices	22,188	3,945	18,242
365	Flow Measuring Installations	13,378	2,184	11,194
370	Receiving Wells	855,200	64,037	791,163
380	Treatment and Disposal Equip.	4,300,202	458,971	3,841,231
381	Plant Sewers	23,117	1,541	21,576
382	Outfall Sewer Lines	343,681	25,755	317,926
389	Other Plant and Misc. Equipment	110,308	5,898	104,409
390	Office Furniture and Equipment	126,871	19,180	107,691
391	Transportation Equipment	225	122	103
393	Tools, Shop and Garage Equip.	18,746	1,896	16,851
394	Laboratory Equipment	84,159	16,515	67,644
395	Power Operated Equipment	1,364,823	345,218	1,019,605
398	Other Tangible Plant	334,219	67,882	266,337
	<b>TOTALS</b>	<b>36,485,366</b>	<b>3,392,490</b>	<b>33,092,877</b>

This amount goes on the Balance Sheet Acct. No. 108

**COMPANY NAME****Litchfield Park Service Company****CALCULATION OF DEPRECIATION EXPENSE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
351	Organization	-		
352	Franchises	-		
353	Land and Land Rights	1,783,426		
354	Structures and Improvements	9,077,845		294,018
355	Power Generation Equipment	305,488		12,405
360	Collection Sewers - Force	263,636		4,693
361	Collection Sewers - Gravity	14,003,065		238,486
362	Special Collecting Structures	-		
363	Services to Customers	3,454,790		68,791
364	Flow Measuring Devices	22,188		1,213
365	Flow Measuring Installations	13,378		1,115
370	Receiving Wells	855,200		28,507
380	Treatment and Disposal Equip.	4,300,202		212,836
381	Plant Sewers	23,117		1,156
382	Outfall Sewer Lines	343,681		11,456
389	Other Plant and Misc. Equipment	110,308		4,291
390	Office Furniture and Equipment	126,871		7,931
391	Transportation Equipment	225		45
393	Tools, Shop and Garage Equip.	18,746		937
394	Laboratory Equipment	84,159		8,075
395	Power Operated Equipment	1,364,823		168,261
398	Other Tangible Plant	334,219		32,701
	SUBTOTAL	36,485,366		1,096,916
	CIAC Amortization			(178,152)
	TOTALS	36,485,366		918,763

This amount goes on Comparative Statement of Income and Expense Acct. 403

**COMPANY NAME****Litchfield Park Service Company****BALANCE SHEET**

<b>Acct. No.</b>		<b>BALANCE AT BEGINNING OF TEST YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 296,840	\$ 717,794
132	Special Deposits		
135	Temporary Cash Investments	1,156,305	1,123,763
141	Customer Accounts Receivable	849,366	767,181
146	Notes/Receivables from Associated Companies	61,230	49,500
151	Plant Material and Supplies		
162	Prepayments	60,720	64,826
174	Miscellaneous Current and Accrued Assets	7,637,729	10,685,271
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 10,062,190	\$ 13,408,334
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	29,681,423	36,485,366
103	Property Held for Future Use		
105	Construction Work in Progress	1,425,404	2,343,546
108	Accumulated Depreciation - Utility Plant	2,295,574	3,392,490
121	Non-Utility Property	21,632,552	31,628,001
122	Accumulated Depreciation - Non Utility	3,066,551	3,960,190
	<b>TOTAL FIXED ASSETS</b>	\$ 47,377,254	\$ 63,104,234
	<b>TOTAL ASSETS</b>	\$ 57,439,444	\$ 76,512,568

NOTE: Total Assets on this page should equal Total Liabilities and Capital on the following page.

**COMPANY NAME****Litchfield Park Service Company****BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF TEST YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 586,693	\$ 315,981
232	Notes Payable (Current Portion)	140,000	195,000
234	Notes/Accounts Payable to Associated Companies	4,482,113	8,909,278
235	Customer Deposits	220,870	236,210
236	Accrued Taxes	321,296	128,149
237	Accrued Interest	266,054	195,012
241	Miscellaneous Current and Accrued Liabilities	103,778	47,846
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 6,120,804</b>	<b>\$ 10,027,475</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 12,327,420	\$ 12,161,759
	<b>DEFERRED CREDITS</b>		
252	Advances in Aid of Construction	\$ 15,203,825	\$ 22,552,904
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	7,507,671	13,646,610
272	Less: Amortization of Contributions	1,283,303	1,529,632
281	Accumulated Deferred Income Tax	474,436	474,436
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$ 21,902,630</b>	<b>\$ 35,144,318</b>
	<b>TOTAL LIABILITIES</b>	<b>\$ 40,350,854</b>	<b>\$ 57,333,552</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 78,200	\$ 78,200
211	Other Paid in Capital	14,118,180	14,118,180
215	Retained Earnings	2,892,209	4,982,635
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$ 17,088,590</b>	<b>\$ 19,179,015</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 57,439,444</b>	<b>\$ 76,512,568</b>

COMPANY NAME

Litchfield Park Service Company

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>TEST YEAR</b>
521	Flat Rate Revenues	\$ 3,779,089	\$ 4,833,236
522	Measured Revenues		
536	Other Wastewater Revenues		
	<b>TOTAL REVENUES</b>	\$ 3,779,089	\$ 4,833,236
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages		
710	Purchased Wastewater Treatment		1,585
711	Sludge Removal Expense	58,959	92,193
715	Purchased Power	425,600	590,184
716	Fuel for Power Production		
718	Chemicals	145,504	143,381
720	Materials and Supplies	40,785	161,255
731	Contractual Services - Professional	254,815	57,908
735	Contractual Services - Testing	799	2,273
736	Contractual Services - Other	549,986	757,491
740	Rents	21,160	33,567
750	Transportation Expense	3,025	2,124
755	Insurance Expense	15,704	16,251
765	Regulatory Commission Expense	8,537	5,960
775	Miscellaneous Expense	61,468	218,763
403	Depreciation Expense	899,944	918,763
408	Taxes Other Than Income		
408.11	Property Taxes	130,357	49,786
409	Income Taxes	37,875	72,000
	<b>TOTAL OPERATING EXPENSES</b>	\$ 2,654,516	\$ 3,123,486
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 309,354	\$ 150,090
421	Non-Utility Income	4,131,794	5,087,196
426	Miscellaneous Non-Utility Expenses	2,835,281	3,804,219
427	Interest Expense	894,664	1,042,392
	<b>TOTAL OTHER INCOME/EXP</b>	\$ 711,203	\$ 390,675
	<b>NET INCOME/(LOSS)</b>	\$ 1,835,776	\$ 2,100,426



<b>COMPANY NAME</b> <b>Litchfield Park Service Company</b>
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**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	04/01/1999	06/01/2001		
Source of Loan	IDA	IDA		
ACC Decision No.	61655	63775		
Reason for Loan	Capital Expansion	Capital Expansion		
Dollar Amount Issued	\$5,335,000	\$7,500,000	\$	\$
Amount Outstanding	\$4,815,000	\$7,500,000	\$	\$
Date of Maturity	10/01/2023	10/01/2031		
Interest Rate	5.88%	6.70%	%	%
Current Year Interest	\$262,887	\$435,402	\$	\$
Current Year Principle	\$140,000	\$0.00	\$	\$

**COMPANY NAME** Litchfield Park Service Company

## WASTEWATER COMPANY PLANT DESCRIPTION

### TREATMENT FACILITY

<b>TYPE OF TREATMENT</b> (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Activated Sludge (SBR)
<b>DESIGN CAPACITY OF PLANT</b> (Gallons Per Day)	4,100,000 GPD

### LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Litchfield Greens	2	5	75	3,000
LPSCO Lift Station No. 2	2	18	350	25,000
LPSCO Lift Station No. 3	2	47	1,050	30,000

### FORCE MAINS

Size	Material	Length (Feet)
10"	PVC	17,550
12"	PVC	6,100
8"	DIP	3,550
16"	DIP	5,200

### MANHOLES

Type	Quantity
Standard	3,547
Drop	4

### CLEANOUTS

Quantity
160

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**COLLECTION MAINS**

<b>Size (in inches)</b>	<b>Material</b>	<b>Length (in feet)</b>
4"	VCP	208,097
6"	VCP	4,602
8"	VCP	908,468
10"	VCP	45,084
12"	VCP	32,021
15"	VCP	64,986
18"	VCP	17,635
21"	VCP	23,016
24"	VCP	10,480
30"	VCP	3,663

**SERVICES**

<b>Size (in inches)</b>	<b>Material</b>	<b>Quantity</b>
4	VCP	69,848
6	VCP	224
8	VCP	3

**FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY**

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	Aerobic Digester/ Centrifuge
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Ultra-Violet
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Aqua Disk-Filter Disk
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	The facility currently contains 4 steel frame buildings w/ concrete masonry unit (CMU) facia on enclosed concrete tank structures. The facility is bordered by aluminum fencing and gates.
<b>OTHER</b> (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	1 Standby Generator, Tools, Lab Equipment, 8 Vehicles, 2 golf carts, 3 trailers

COMPANY NAME Litchfield Park Service Company

### WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
Jan-04	10,876	73,959,000	2,868,000
Feb-04	10,970	67,201,000	3,591,000
Mar-04	11,092	70,179,000	2,944,000
Apr-04	11,161	70,724,000	3,243,000
May-04	11,278	81,654,000	3,191,000
Jun-04	11,379	62,080,000	2,700,000
Jul-04	11,436	76,669,000	3,310,000
Aug-04	11,569	77,964,000	2,929,000
Sep-04	11,639	76,741,000	3,247,000
Oct-04	11,700	77,174,000	3,241,000
Nov-04	11,770	78,678,000	3,281,000
Dec-04	11,817	75,436,000	3,012,000

### PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse, surface discharge
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	100310
<b>Groundwater Permit Number</b>	N/A
<b>ADEQ Aquifer Protection Permit Number</b>	P100310
<b>ADEQ Reuse Permit Number</b>	R105272, R105472, R105221, R23573, R23618, R23577
<b>EPA NPDES Permit Number</b>	N/A

## **STATISTICAL INFORMATION**

Total number of customers \_\_\_\_\_ 11,817 \_\_\_\_\_

Total number of gallons treated \_\_\_\_\_ 888,459,000 \_\_\_\_\_

COMPANY NAME Litchfield Park Service Company YEAR ENDING 12/31/2004

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported                      Unable to isolate due to Consolidated Return filed  
Estimated or Actual Federal Tax Liability                      \_\_\_\_\_

State Taxable Income Reported                      Unable to isolate due to Consolidated Return filed  
Estimated or Actual State Tax Liability                      \_\_\_\_\_

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>N/A</u>
Amount of Gross-Up Tax Collected	<u>N/A</u>
Total Grossed-Up Contributions/Advances	<u>N/A</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

Apr 11/05  
DATE

Peter Kampian  
PRINTED NAME

CFO  
TITLE

COMPANY NAME Litchfield Park Service Company YEAR ENDING 12/31/2004

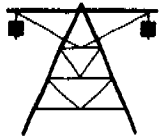
**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 264,898.21

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



LITCHFIELD PARK SERVICE COMPANY INC.  
111 W. Wigwam Blvd., Suite B  
Litchfield Park, Arizona 85340  
(623) 935-9367 X 0 Fax: (623) 935-1020 X 0000

Bank One  
1370 N. Litchfield Road  
Goodyear, AZ 85338

000980

DATE  
February 18, 2004

AMOUNT  
US\$117,420.51  
U.S. Funds

One Hundred Seventeen Thousand Four Hundred Twenty Dollars and 51 Cents

PAY TO THE ORDER OF  
Maricopa County Treasurer  
PO Box 78574  
Phoenix, AZ 85062-8574

Litchfield Park Service Company Inc.

⑈000980⑈ ⑆122100024⑆ 00529182⑈

⑈0011742051⑈

⑈000980⑈ ⑆122100024⑆

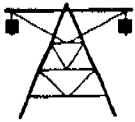
00529182⑈

⑈0011742051⑈

\*FEDERAL RESERVE BOARD OF GOVERNORS REG. NO.  
022504 050 700 277 18314 65257922 5 0850027534  
0097181784 02/25/2004 3887 0 1  
BANK ONE, NA-ARIZONA  
BANK ONE, NA  
1119013314  
02252004  
0097181784 WEIGHTED 462 51839292

CHECK  
NUMBER  
0097181784  
ARSENAL  
MENTAL  
BANK





**LITCHFIELD PARK SERVICE COMPANY INC.**  
 111 W. Wigwam Blvd., Suite B  
 Litchfield Park, Arizona 85340  
 (623) 935-9367 X 0 Fax: (623) 935-1020 X 0000

Bank One  
 1370 N. Litchfield Road  
 Goodyear, AZ 85338

001820

DATE  
 September 17, 2004

AMOUNT  
 US\$137,609.35  
 U.S. Funds

One Hundred Thirty Seven Thousand Six Hundred Nine Dollars and 35 Cents

PAY TO THE ORDER OF  
 Maricopa County Treasurer  
 PO Box 78574  
 Phoenix, AZ 85062-8574

Litchfield Park Service Company Inc.

*[Signature]*  
*[Signature]*



⑈001820⑈ ⑆122100024⑆ 00529182⑈

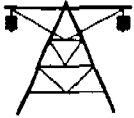
⑈0013760935⑈

022401 268 788 190 643 4 61507762 8 654557240401

DO NOT WRITE  
 CREDIT TO ACCT OF  
 NAMED PAYEE WITH-  
 OUT PREJUDICE  
 ABSENCE OF ENDORSE-  
 MENT GUARANTEED BY  
 BANK ONE, NA

BANK ONE, NA  
 ⑈1119013314⑈  
 0924004  
 5140257543

Location	Acct #	Check #	Amount	Issue Date	Paid Date	Sequence	Customer Data	Bank #
CD	529182	1820	\$137,609.35		9/24/2004	5140257543		601
GL Category	CD Valid/CIMS Key	CD Label						
000000000000	20040930523301	20040930523301						



**LITCHFIELD PARK SERVICE COMPANY INC.**  
 111 W. Wigwam Blvd., Suite B  
 Litchfield Park, Arizona 85340  
 (623) 935-9367 X 0Fax: (623) 935-1020 X 0000

Bank One  
 1370 N. Litchfield Road  
 Goodyear, AZ 85338

001823

DATE  
 September 21, 2004

AMOUNT  
 US\$9,868.35  
 U.S. Funds

Nine Thousand Eight Hundred Sixty Eight Dollars and 35 Cents

PAY TO THE ORDER OF  
 Maricopa County Treasurer  
 PO Box 78574  
 Phoenix, AZ 85062-8574

Litchfield Park Service Company Inc.



*[Handwritten signature]*

⑈001823⑈ ⑆122100024⑆ 00529182⑈

⑈0000986835⑈

6922884 272 714 112 636 4 59175022 4 6515022801011

BANK ONE, NA  
 1119013314  
 092002004  
 5240315478

DO NOT WRITE  
 CREDIT TO ACCT OF  
 NAMED PAYEE WITH-  
 OUT PREJUDICE  
 ABSENCE OF ENDORSE-  
 MENT GUARANTEED BY  
 BANK ONE, NA

OR SIGNATURE OF THE  
 ENDORSEMENT LINE

Location	Acct #	Check #	Amount	Issue Date	Paid Date	Sequence	Customer Data	Bank #
CD	529182	1823	\$9,868.35		9/28/2004	5240315478		601
GL Category	CD Valid/CIMS Key	CD Label						
000000000000	20040930523301	20040930523301						

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

APR 14 2005

VERIFICATION

STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

<b>COUNTY OF MARICOPA</b>
NAME (OWNER OR OFFICIAL) TITLE <b>Peter Kampian, Chief Financial Officer</b>
COMPANY NAME <b>Litchfield Park Service Company</b>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

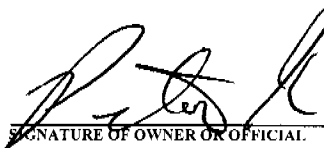
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>4,977,206</u>

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

  
SIGNATURE OF OWNER OR OFFICIAL  
905-465-4523  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

DAY OF

COUNTY NAME	<u>Halton</u>
MONTH	<u>April</u>

**ANNE ELIZABETH READE**  
**A COMMISSIONER OF OATHS,**  
**REGIONAL MUNICIPALITY OF HALTON,**  
**FOR ALGONQUIN POWER INCOME FUND.**  
**EXPIRES FEBRUARY 25, 2008.**

(SEAL)

MY COMMISSION EXPIRES

25 Feb '08

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

RECEIVED

APR 14 2005

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

<b>COUNTY OF MARICOPA</b>	
NAME (OWNER OR OFFICIAL) <b>Peter Kampian</b>	TITLE <b>Chief Financial Officer</b>
COMPANY NAME <b>Litchfield Park Service Company</b>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

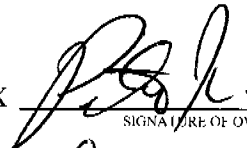
**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>4,179,317</u>

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X   
SIGNATURE OF OWNER OR OFFICIAL  
905-465-4523  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

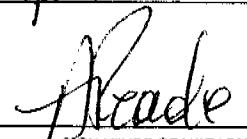
11<sup>th</sup>

DAY OF

NOTARY PUBLIC NAME <u>Anne Reade</u>	
COUNTY NAME <u>Halton</u>	
MONTH <u>April</u>	YEAR <u>2005</u>

(SEAL)

MY COMMISSION **ANNE ELIZABETH READE**  
**COMMISSIONER OF OATHS,**  
**REGIONAL MUNICIPALITY OF HALTON,**  
**FOR ALGONQUIN POWER INCOME FUND.**  
**EXPIRES FEBRUARY 25, 2008.**

X   
SIGNATURE OF NOTARY PUBLIC

LPSCO Consolidated Statement  
BALANCE SHEET  
AS AT December 31, 2004

	Actual	Prior Year
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash - Operating	\$707,794	\$286,840
Cash - Capacity	10,000	10,000
Short Term Investments	1,123,763	1,156,305
Accounts Receivable	3,377,368	3,032,941
Accounts Receivable - Interco	49,500	61,230
Prepays	64,826	60,720
<b>Total Current Assets</b>	<b>5,333,251</b>	<b>4,608,036</b>
Intercompany	(1,111,410)	226,933
<b>Long Term Assets</b>		
<b>Fixed Assets</b>		
Land	2,464,529	2,423,503
Generating Facility	65,648,839	48,890,473
Less Accum Depreciation	(7,352,680)	(5,362,125)
Water Treatment Plant	2,343,546	
Contribution in Aid of Construction	(13,646,610)	(7,507,671)
Accum Depreciation - CIAC	1,529,632	1,283,303
<b>Net Fixed Assets</b>	<b>50,987,256</b>	<b>39,727,483</b>
<b>Other Assets</b>		
Construction in Process		1,425,404
Intangible Asset - Net	8,021,830	5,370,471
Deferred Costs	382,553	428,282
<b>Total Other Assets</b>	<b>8,404,383</b>	<b>7,224,157</b>
<b>Total Assets</b>	<b>63,613,480</b>	<b>51,786,609</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Liabilities	3,683,576	1,715,606
Inter group	188,067	
Current Taxes Payable	26,900	204,078
Franchise Tax Payable		
Current Portion of Long Term Debt	195,000	140,000
<b>Total Current Liabilities</b>	<b>4,093,543</b>	<b>2,059,684</b>
<b>Long Term Liabilities</b>		
Intercompany Notes Payable	4,589,469	4,055,000
Third Party Loans	12,491,059	12,672,019
Customer Meter Deposits	2,045,395	2,216,514
Customer Advances in Aid of Construction	20,507,510	12,987,312
Deferred Income Tax	474,436	474,436
<b>Total Long Term Liabilities</b>	<b>40,107,869</b>	<b>32,405,281</b>
<b>Total Liabilities</b>	<b>44,201,412</b>	<b>34,464,965</b>
<b>SHAREHOLDERS EQUITY</b>		
Contributed Capital	14,118,180	14,118,180
Common Shares	78,200	78,200
<b>Total Contributed Capital</b>	<b>14,196,380</b>	<b>14,196,380</b>
<b>Earnings</b>		

LPSCO Consolidated Statement  
BALANCE SHEET  
AS AT December 31, 2004

	<u>Actual</u>	<u>Prior Year</u>
Retained Earnings	\$5,134,450	\$3,298,675
Year to Date Income	2,100,426	1,835,776
Dividends Paid	<u>(2,019,188)</u>	<u>(2,009,188)</u>
<b>Total Earnings</b>	<b><u>5,215,688</u></b>	<b><u>3,125,263</u></b>
<b>Total Shareholders' Equity</b>	<b><u>19,412,068</u></b>	<b><u>17,321,643</u></b>
<b>Total Liabilities and Equity</b>	<b><u>63,613,480</u></b>	<b><u>51,786,608</u></b>

**YEAR TO DATE**

Actual	Budget	Prior	% Change Budget	% Change Prior		Actual	Budget	Prior	% Change Budget	% Change Prior
					Revenue					
					Water Sales					
					Metered Sales - Residential Customers	\$3,130,317	\$5,055,833	\$2,467,517	-38.09%	26.86%
\$341,601	\$505,542	\$223,769	-32.43%	52.66%	Metered Sales - Commercial Customers	779,867	0	601,854	0.00%	29.58%
63,069	0	77,072	0.00%	-18.17%	Metered Sales - Industrial Customers/Fire Protection Revenue	877,647	0	670,363	0.00%	30.92%
77,014	0	57,062	0.00%	34.97%		192,315	0	166,636	0.00%	15.41%
6,517	0	7,793	0.00%	-16.37%						
488,201	505,542	365,696	-3.43%	33.50%		4,980,146	5,055,833	3,906,370	-1.50%	27.49%
					Waste Water Sales					
					Residential Revenues	4,179,317	4,669,742	3,207,548	-10.50%	30.30%
544,799	414,629	332,275	31.39%	63.96%	Commercial Revenues	547,718	0	503,943	0.00%	8.69%
77,280	0	46,513	0.00%	66.15%	Industrial Revenues	106,201	0	16,954	0.00%	526.41%
13,247	0	8,477	0.00%	56.27%						
635,326	414,629	387,265	53.23%	64.05%		4,833,236	4,669,742	3,728,445	3.50%	29.63%
					Reclaimed Water Sales (Effluent)					
9,151	3,365	3,650	171.95%	150.71%	Commercial Effluent Revenues	67,401	40,383	50,643	66.90%	33.09%
					Other Revenues					
3,243	0	39,015	0.00%	-91.69%	Other Revenues	183,619	0	496,633	0.00%	-63.03%
3,243	0	39,015	0.00%	-91.69%		183,619	0	496,633	0.00%	-63.03%
1,135,921	923,536	795,626	23.00%	42.77%	Total Revenue	10,064,402	9,765,958	8,182,091	3.06%	23.01%
					Operating Costs					
					Sources of Supply, Collections & Expenses					
359	0	0	0.00%	0.00%	Purchases Water	1,585	0	81,185	0.00%	-98.05%
2,760	0	40,447	0.00%	-93.18%	Purchased Power	300,538	0	361,581	0.00%	-16.88%
0	0	21	0.00%	-100.00%	Fuel for Power Production	0	0	265	0.00%	-100.00%
1,263	0	0	0.00%	0.00%	Chemicals	5,569	0	1,880	0.00%	196.22%
823	0	619	0.00%	32.96%	Materials & Supplies	21,481	0	12,131	0.00%	77.08%
80,369	50,000	54,693	60.74%	46.95%	Contractual Services	996,784	600,003	460,286	66.13%	116.56%
0	0	0	0.00%	0.00%	Equipment Rental	6,097	0	0	0.00%	0.00%
686	0	0	0.00%	0.00%	Transportation Expenses	8,988	0	0	0.00%	0.00%
86,260	50,000	95,780	72.52%	-9.94%		1,341,042	600,003	917,328	123.51%	46.19%
					Water Treatment & Pumping Expenses					
0	0	0	0.00%	0.00%	Chemicals	0	0	1,971	0.00%	-100.00%
0	0	0	0.00%	0.00%	Materials & Supplies	7,029	0	726	0.00%	868.18%
0	0	0	0.00%	0.00%	Contractual Services	0	0	1,871	0.00%	-100.00%
0	0	0	0.00%	0.00%	Equipment Rental	1,647	0	0	0.00%	0.00%
0	0	0	0.00%	0.00%		8,676	0	4,568	0.00%	89.93%
					Transportation & Distr, Treatment & Disposal Exp					
89,870	42,577	0	111.08%	0.00%	Purchased Power	741,561	510,928	27	45.14%	*****
22	0	0	0.00%	0.00%	Fuel for Power Production	233	0	0	0.00%	0.00%
10,666	0	0	0.00%	0.00%	Chemicals	141,352	0	3,734	0.00%	3685.54%
8,565	2,990	1,575	186.45%	443.81%	Materials & Supplies	157,476	35,875	28,454	338.96%	453.44%
18,448	42,079	1,944	-56.16%	848.97%	Contractual Services	393,209	504,947	32,491	-22.13%	1110.21%

**YEAR TO DATE**



CURRENT MONTH					YEAR TO DATE				
Actual	Budget	Prior	% Change Budget	% Change Prior	Actual	Budget	Prior	% Change Budget	% Change Prior
					Administrative & General Costs				
\$2,070	\$0	\$1,861	0.00%	11.23%	\$12,017	\$0	\$20,862	0.00%	-41.84%
664	14,350	7,695	-95.37%	-91.37%	17,783	172,200	70,805	-89.67%	-74.88%
78,695	104,125	203,158	-24.42%	-61.26%	1,059,601	1,249,495	1,086,651	-15.20%	-2.49%
3,588	6,013	6,842	-40.33%	-47.56%	27,259	72,160	66,674	-82.22%	-59.12%
0	0	0	0.00%	0.00%	874	0	113	0.00%	673.45%
1,994	0	(1,669)	0.00%	-218.87%	23,242	0	20,507	0.00%	13.34%
0	0	2,316	0.00%	-100.00%	0	0	5,379	0.00%	-100.00%
6,967	171	7,446	3974.27%	-6.43%	71,968	2,050	22,756	3410.63%	216.26%
0	0	120	0.00%	-100.00%	805	0	5,750	0.00%	-86.00%
0	0	0	0.00%	0.00%	235	0	350	0.00%	-32.86%
6,256	6,200	13,241	0.90%	-52.75%	81,256	74,400	65,837	9.22%	23.42%
23,067	20,073	19,580	14.92%	17.81%	248,932	240,875	234,754	3.34%	6.04%
2,519	0	0	0.00%	0.00%	41,561	0	0	0.00%	0.00%
1,095	0	1,331	0.00%	-17.73%	29,491	0	28,827	0.00%	2.30%
0	0	0	0.00%	0.00%	0	0	35,836	0.00%	-100.00%
126,905	150,932	261,921	-15.92%	-51.55%	1,615,024	1,811,180	1,664,901	-10.83%	-3.00%
781,815	626,502	323,052	24.79%	142.01%	5,490,329	6,201,550	4,376,201	-11.47%	25.46%
					Net Income Before Depn, Interest & Tax				
					Interest				
92,211	65,222	91,626	41.38%	0.64%	1,040,009	782,665	829,691	32.88%	25.35%
92,211	65,222	91,626	41.38%	0.64%	1,040,009	782,665	829,691	32.88%	25.35%
					Depreciation / Amortization				
178,238	144,799	134,325	23.09%	32.69%	1,978,366	1,737,590	1,633,199	13.86%	21.13%
178,238	144,799	134,325	23.09%	32.69%	1,978,366	1,737,590	1,633,199	13.86%	21.13%
					Income Taxes				
30,000	0	(221,434)	0.00%	-113.55%	360,000	0	77,430	0.00%	364.94%
30,000	0	(221,434)	0.00%	-113.55%	360,000	0	77,430	0.00%	364.94%
					Other Income and Expense				
(2,378)	0	0	0.00%	0.00%	11,526	0	111	0.00%	*****
(2,378)	0	0	0.00%	0.00%	11,526	0	111	0.00%	10283.78%
483,744	416,481	318,535	16.15%	51.87%	2,100,428	3,681,295	1,835,770	-42.94%	14.42%